



# COMMONWEALTH of VIRGINIA

## DEPARTMENT OF MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES

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### MEMORANDUM

**TO:** Community Services Board, Local Government Department, and Behavioral Health  
Authority Executive Directors  
  
State Hospital and Training Center Directors  
  
State Mental Health, Mental Retardation and Substance Abuse Services Board  
  
Mental Health, Mental Retardation, and Substance Abuse Services Advocates

**FROM:** Paul R. Gilding  
Community Contracting Director

**SUBJECT:** **FY 2009 Performance Contract; Central Office, State Facility, and Community  
Services Board Partnership Agreement; and Community Services Performance  
Contract General Requirements Document Exposure Drafts**

**DATE:** **December 31, 2007**

Sections 37.2-508 and 37.2-608 of the *Code of Virginia* require the Department to make the standard performance contract form that it intends to use for Fiscal Year (FY) 2009 available six months before the beginning of the fiscal year and to solicit public comments about it for 60 days. The attached exposure drafts meet this requirement.

The Performance Contract Committee, established this year by the Department and the Virginia Association of Community Services Boards (VACSB), decided not to develop a line-by-line revision of the performance contract for FY 2009, but to focus any substantive revisions or changes in the FY 2009 contract on the first phase of performance expectations for emergency services, case management services, and data quality and on continuous quality improvement efforts. These revisions and related changes are outlined on the following pages.

Exposure drafts of the FY 2009 Performance Contract, Partnership Agreement, and Community Services Performance Contract General Requirements Document are attached for your review and comment. The documents are being distributed electronically, rather than by mailing paper copies, and they will be available on the Department's web site at [www.dmhmrzas.virginia.gov](http://www.dmhmrzas.virginia.gov). Changes from the FY 2008 contract documents are highlighted in **red text** (on a computer screen or when the document is printed with a color printer); additions are shown with **underlined text**, and deletions are shown with **~~stricken text~~**.

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### **Performance Contract Changes**

1. The term mental retardation, when it refers to a condition an individual has, is changed to intellectual disabilities. For example, section 1.a on page 2 states: In this contract, intellectual disabilities refer to the conditions individuals have; mental retardation refers to the services that address those disabilities.
2. Language is added on page 4 under Coordination with Local Psychiatric Hospitals to address involuntary admissions.
3. Language is added on page 5 in section 6.a about system transformation projects and in section 6.b.2.) about regional utilization management procedures and practices that reflect the Regional Utilization Management Guidance document.
4. Language is added on page 6 in section 6.b.3.) on emergency services and case management services performance expectations, with a reference to a new Exhibit B (pages 32-34), which contains specific expectations and a description of the process for completing development of those expectations before the final FY 2009 performance contract is issued in late April 2008.
5. Language is added on page 9 to section 6.g to change Regional Program Procedures to Regional Program Principles and add a reference to Regional Program Procedures in the General Requirements Document.
7. Language is added on page 10 in section 7.c.1.) about emergency services and case management services performance expectations.
8. Language is added on page 11 in section 7.c.3.) about regional utilization management procedures and practices that reflect the Regional Utilization Management Guidance document.
9. Language is added on 11 in section 7.d.4.) to insert a reference to a new Exhibit L, which incorporates the Commissioner's November 9, 2007 memorandum, Procedures for Approving CSB Surveys, Questionnaires, and Data Collection Instruments and Establishing Reporting Requirements, into the performance contract on the recommendation of the Performance Contract Committee.
10. Language is added on page 16 in section 10.b about participating directly or through the Virginia Association of Community Services Boards in developing the next phase of performance expectations that will address service quality issues for emergency services and case management services and expand this continuous quality improvement approach to other services provided by the Board, including preadmission screening and discharge planning.
11. The Emergency Response Budget box is deleted from page 17 in Exhibit A.
12. On pages 28 through 31, service capacity, total units, contract service units, units per capacity, and expense columns are deleted from Forms 11, 21, 31, and 01 in accordance with a recommendation of the Performance Contract Committee to do so and focus instead on the performance expectations in Exhibit B. Boards will continue to report service capacities, units of service, and expenses by core service categories and subcategories in the mid-year and end of the fiscal year CARS reports. Because subsections C and D of § 37.2-508 of the *Code of Virginia* require the performance contract to include information about consumers and services, the listing of services and the numbers of consumers projected to be served remain on these forms.

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13. On pages 32 through 34, a new Exhibit B contains Emergency Services and Case Management Services Performance Expectations that reflect the most recent drafts developed by work groups established by the Department and the VACSB. The work groups will continue to revise and refine these expectations until the final performance contract is issued in late April 2008. The final version of these performance expectations will include, where appropriate, specific concrete measures with which to assess a Board's performance. This performance expectations process is based on a continuous quality improvement (CQI) approach that seeks to measure and improve individual Board performance over time. Funding will not be based on or associated with these expectations. This exhibit also contains Data Quality Performance Expectations. These Data Quality Performance Expectations include CQI activities related to the substance abuse NOMS. The VACSB Data Management Committee and the Department will revise and refine these expectations for inclusion in the final performance contract that will be issued in late April 2008.
14. Exhibit E, Performance Contract Process, (pages 37-42) is revised to link CCS 3 monthly reporting requirements to semi-monthly disbursements of state and federal funds.
15. Exhibit J on pages 53-63 is rewritten to reflect a first draft of shifting from regional program models to regional program principles.
16. A new Exhibit L is added, as noted previously, to incorporate the Commissioner's November 9, 2007 memorandum, Procedures for Approving CSB Surveys, Questionnaires, and Data Collection Instruments and Establishing Reporting Requirements, into the performance contract based on a recommendation of the Performance Contract Committee.

### **Partnership Agreement Changes**

1. A new section 6 on Critical Success Factors from the Integrated Strategic Plan is inserted on page 6.

### **General Requirements Document Changes**

1. Appendix D, Regional Program Procedures, is added at page 43 to reflect a first draft of a replacement for the many memoranda of agreement now in existence across the state. The Performance Contract Committee will establish a small work group that includes the regional managers and other interested parties to complete the development of this Appendix and Exhibit J before the Department issues the final FY 2009 performance contract in late April.

If you have any questions about these drafts, please call me at (804) 786-4982 or e-mail me at [paul.gilding@co.dmhmrzas.virginia.gov](mailto:paul.gilding@co.dmhmrzas.virginia.gov). Please send your comments and suggestions to me by the **close of business on March 3, 2008**. You can e-mail comments to me or FAX them to me at (804) 371-0092. Please reference page and section numbers in the documents and include proposed language to address your concerns in your comments; this will be very helpful for the Performance Contract Committee and me. After the close of the public comment period, the Performance Contract Committee will consider the comments and suggestions received from you as it continues to revise these documents. The Committee also will need to consider and reflect any legislation enacted by the General Assembly during its session this winter that will affect our services system. Thank you for your participation in this very important public comment process.

Enclosures (3)

PRG/prg

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